THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (c) Under the deep water drilling programme during the period 2002—2007, the stated expenditures were incurred. However, an analysis of these wells indicates two primary causes for the perceived cost overruns. The first relates to unforeseen well complications in case of 19 wells. The varied nature of these complications cover a vast range including casing parting, fishing due to string stuck ups, loss and gain situations which required deft measures to combat, waiting on weather besides complications during testing programmes. The second factor which contributed to the cost overruns was the extension of the target depths of 5 wells as well as drilling of explorer wells to prognose the shallower horizons. Both these factors clearly indicate that the enhanced costs were related to operational issues and can not be construed as arising out of deficiencies in ONGC's work efficiency.

Pipeline from Oman

3067. SHRI MAHENDRA MOHAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the proposal of laying a pipeline under the sea between Oman's Rasal-Jifan and Coastal Gujarat's Rapar-Gadhwali to ferry about TCF (Trillion Cubic Feet) of gas has been revived;

(b) if so, the details thereof;

(c) how many projects of bringing gas from different countries have been pending; sanctioned alongwith the capacity and since when such projects are pending;

(d) what hurdles had come on the way of Oman gas pipeline project; and

(e) how long it will take to complete the project?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) and (d) No, Sir. The project could not move due to non-establishment of the Technical Feasibility of the project and inadequate gas reserves etc.

(b) and (e) In view of (a) above, question does not arise.

(c) Petronet LNG Limited (PLL) signed a contract with RasGas, Qatar in July 1999 for import of 7.5 million metric tonnes per annum (MMTPA) Liquefied Natural Gas (LNG). Out of this, supply of 5 MMTPA LNG commenced from 2004 and supply of balance 2.5 MMTPA LNG would commence in 2009. Further, Petronet LNG Ltd. (PLL) has also signed a contract with RasGas, Qatar in July 2007 for supply of 1.25 MMT LNG for a period of one year.

A Sale-Purchase Agreement (SPA) was signed on 13th June, 2005 in Tehran for 5 MMTPA of LNG between the National Iranan Gas Export Company (NIGEC) and the Indian Consortium of GAIL (India) Limited (GAIL), Indian Oil Corporation (IOC) & Bharat Petroleum Corporation Limited (BPCL). NIGEC has not conveyed NIOC's Board approval till now.

Government is pursuing the import of natural as from Iran through Iran-Pakistan-India (IPI) Gas Pipeline Project and also, from Turkmenistan through Turkmenistan-Afghanistan-Pakistan-(India) (TAPI) gas pipeline project after obtaining the approval of the Competent

authority in 2005. Under IPI Gas pipeline project, 60 MMSCMD of gas is proposed to be supplied in Phase-I, to be shared equally between India and Pakistan. 90 MMSCMD of gas is likely to be supplied in Phase-II. The total capacity of the proposed TAPI gas pipeline project is about 40-70 MMSCMD, as per earlier estimates.

Subsidy on cooking gas

3068. SHRI RAJKUMAR DHOOT:
SHRI RAHUL BAJAJ:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state the reasons for not excluding the above poverty level households from subsidies on cooking gas?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL) : While abolishing the Administered Pricing Mechanism (APM) effective 1st April 2002, the Government had decided that pricing of all other petroleum products, except PDS Kerosene and Domestic LPG, would be determined by market factors. In order to provide Kerosene and LPG at affordable prices, the Government formulated subsidy schemes which are in operation since April 2002.

The prices of Domestic LPG and PDS Kerosene, which are considered as common man's fuels, have not been increased since November, 2004 and March, 2002 respectively.

However, in view of the steep increase in international oil prices since 2004, the Government has taken a conscious decision not to pass on the burden of the increase in international oil prices to the consumers. To deal with the steep escalation in international oil prices, the Government has adopted the principle of 'equitable burden sharing' between the Government, the oil PSUs and the consumers so as to protect the interests of the common man as also the financial health of the OMCs (Oil Marketing Companies). The Government has issued Oil Bonds and the Upstream Oil Companies have contributed by offering price discounts on crude oil and petroleum products, to partially compensate the under-recoveries of the OMCs.

Gas supply contract with RIL

3069. SHRI NAND KISHORE YADAV:
SHRI AMAR SINGH:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government has examined the provisions of the gas supply contract signed by Reliance Industries Ltd. (RIL) with Reliance Natural Resources Ltd. (RNRL) on 12 January, 2006 pursuant to a Scheme of Arrangement approved by the Bombay High Court on 9 December, 2005;

(b) if so, the details thereof;

(c) whether RIL has agreed to supply Natural Gas to RNRL under production sharing contract (PSC) or any part of the natural gas of Government or other contractors; and

(d) the rationale in different stances taken by Government while dealing with the two court cases *viz* NTPC-RIL and RNRL-RIL?